

The complaint

Mr C complains that the car he acquired through Santander Consumer (UK) Plc (“Santander”) wasn’t of satisfactory quality. He wants to reject the car and cancel the credit agreement.

What happened

Mr C entered a conditional sale agreement in March 2024 to acquire a used car. The cash price of the car was £25,797, and after taking account of the advanced payment, the credit provided totalled £19,783. This was to be repaid over the 60-month term of the agreement. Mr C’s monthly payments were £442.01, so if the agreement ran to its full term, the total repayable would be £32,534.60. At the time of acquisition, the car was around seven years old and had been driven around 60,000 miles.

Mr C told us:

- Three months after acquiring the car there was a problem with the turbo, but this was repaired under warranty;
- in November 2024, the engine blew up on the motorway with white smoke coming out of the car;
- the car was taken to a garage, and it undertook some diagnostics confirming that the engine was very slowly turning over – part-seized – and pushing coolant out of the coolant reservoir. There was low compression on the cylinders, and the engine will need stripping to find the cause, with a likely engine replacement required;
- the cost of repairs exceeded the limit on his warranty, so he complained to Santander in January 2025 about the car’s quality;
- he wants to reject the car and have the credit agreement cancelled.

Santander rejected this complaint. It said that because Mr C had acquired the car more than six months prior to the issue with the engine, he needed to provide evidence that the fault with the car was present or developing when it was supplied. It says in the absence of any evidence that the fault was present or developing at the point of supply, it cannot uphold this complaint, and it won’t accept rejection of the car.

Our investigator looked at this complaint and said she didn’t think it should be upheld. She explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint and said that given the time Mr C had been in possession of the car, and the mileage he’d driven – nearly 9,000 miles, she’d seen no evidence that the fault was present or developing at the point of supply.

She didn’t dispute that Mr C had experienced issues with the car but said that without evidence – an independent report and diagnostics that set out evidence of the fault and its root cause, along with an opinion that it was present or developing at the point of supply – she could not uphold this complaint. And she said she’d seen no evidence that the current fault was a result of previous repairs having failed.

Mr C disagrees so the complaint comes to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I agree with our investigator – I don't think this complaint should be upheld – and I'll explain why.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the conditional sale agreement entered into by Mr C is a regulated consumer credit agreement, this Service is able to consider complaints relating to it. Santander is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mr C was of satisfactory quality or not.

Santander supplied Mr C with a used car – it was seven years old and had been driven nearly 60,000 miles – so the price of the car was lower than it would've been if it had been supplied new. Because of this I think it's fair to say that a reasonable person would expect that parts of the car might've already suffered wear and tear. And there'd be a greater risk in the future that this car might need repairs and maintenance sooner than a car which wasn't as road-worn when supplied.

I don't think there's any dispute that Mr C has experienced problems with the car - that has been well evidenced by both his testimony and the other documents that I've seen including diagnostics and job cards. But just because Mr C has had problems with the car, and things have gone wrong, it doesn't necessary follow that the car supplied to Mr C wasn't of satisfactory quality.

Santander would only be responsible for putting things right if I'm satisfied that the issues Mr C complains about now were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mr C acquired it in March 2024. Or that the repairs carried out just after the car was supplied were a cause of the current problem – that is to say that those repairs have now failed.

But I haven't seen anything, for example, an independent engineer's report, that shows me that the failure of the engine is a result of faults that were present or developing when the car was supplied to Mr C; or that the car has not been durable - that these issues are *not* commensurate with a car of this age and mileage; or that they are the result of failed previous repairs.

So, because of this, and in the absence of an independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold Santander responsible for the problems Mr C now complains of.

I know Mr C will be disappointed with the outcome of his complaint, but I hope he understands why I've reached the conclusions that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 December 2025.

Andrew Macnamara
Ombudsman